

# 2019 Town Hall Proposal

## Warrant Articles 4 & 5



More Information: [www.barrington.nh.gov/townhall](http://www.barrington.nh.gov/townhall)

\*This Proposed Project has **NO Tax Impact!**

- This year, the Select Board has worked diligently to prepare a thoughtful Town Hall proposal which meets the needs of the Town with NO tax impact.
- This proposal includes both Article 4 and Article 5 on the 2019 Warrant.

# Proposal Quick Facts

- \$1.9M Town Hall to Replace Rented Space
  - Article 4 - \$875,000 Bond (60% vote needed)
  - Article 5 - \$1,025,000 from Fund Balance (50% vote needed)
  - \*Both Articles must Pass
- A Building Less than 10,000 ft.<sup>2</sup>
- 6 acre Lot
  - Donated Land on 125
  - ¼ Mile from 333 Calef Highway
- NO Tax Impact
  - Bond Repayments = Current Rent/Taxes



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- This presentation will explain the proposal in a bit more detail but the short story is:
- Comprised of two articles; a bond which needs 60% approval and a capital reserve from fund balance which needs 50% approval.
- Both articles must pass for this project to proceed.
- The building will be less than 10,000 ft.<sup>2</sup> based on an updated space needs analysis.
- Located on 6 acres of, free, easy-to-develop land along 125 only ¼ mile north of the current Town Hall.
- Most importantly, this proposal is structured in a way to have NO tax impact; essentially by using money that Town has saved (Article 5) and a loan (Article 4) which has repayments equal to the money currently spent renting.

# Current Town Hall

- Rented Since 2011 (month-to-month lease)
- \$65,000 per year (rent, off-site storage, and taxes)
- Over \$411,000 since 2011



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- The current Town Hall is rented space since August of 2011 and the Town is currently on a month-to-month lease in that building.
- The Town pay \$65,000 per year in rent, off-site storage, and taxes.
- Since 2011 the Town have paid over \$411,000 renting Town Hall space.

# Brief History of Town Hall Proposals

2011 - \$3,740,000 – Renovation Defeated - 38.6% (60% needed)

2013 - \$2,330,000 – Renovation Defeated - 47.2% (60% needed)

2015 - \$2,350,000 – New Construction Defeated - 52.2% (60% needed)

2016 - \$2,900,000 – New Construction Defeated – 43.3% (60% needed)

2018 - \$750,000 – Special Warrant Article for New Construction  
Defeated – 48.6% (50% needed)

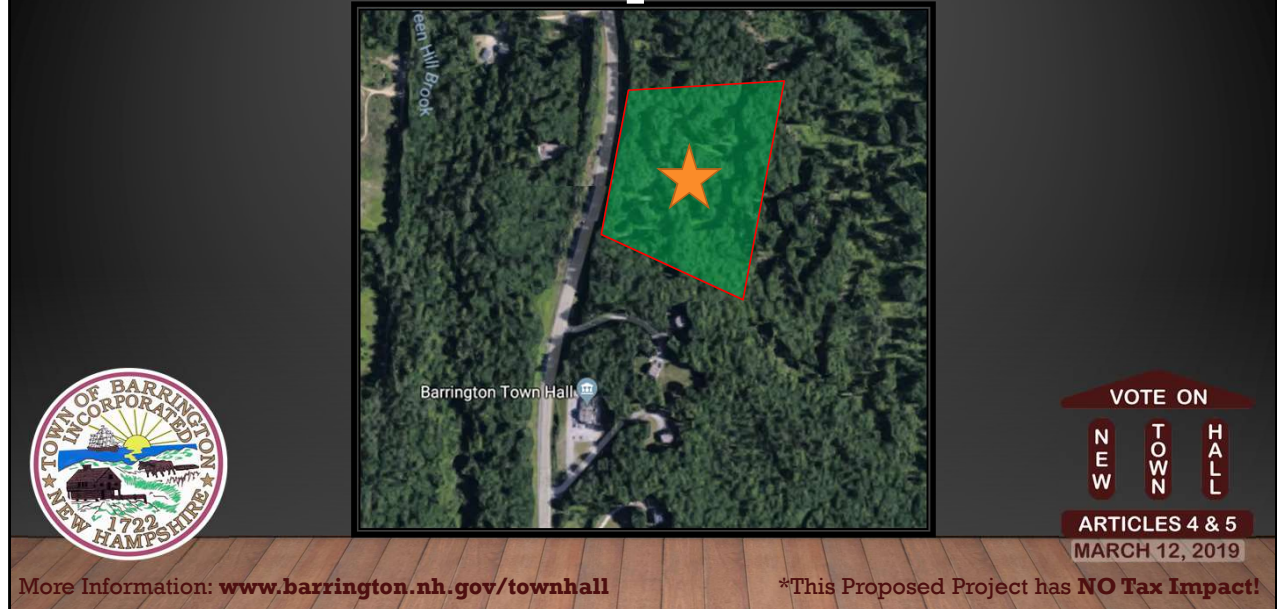


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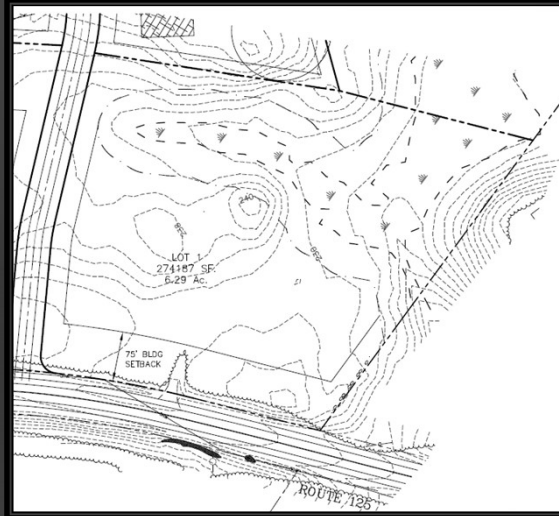
- The voters have been asked on numerous occasions to support various Town Hall proposals as indicated on this slide.
- At the start of last year, the Select Board set, as their first goal, to address the space needs of the Town Hall.
- Moving forward from the previous failed attempts, this Select Board work diligently to develop a cost-effective, design-build, approach to building the Town a new Town Hall.
- Most importantly this proposal fully funds a Town Hall project with NO tax impact.

# The Plan – Proposed Location



- Over the summer, the Board was offered a six acre lot along 125 by a developer.
- This lot is only  $\frac{1}{4}$  mile from the current Town Hall and is part of a proposed development project.
- The developer was transparent with the Board, explaining that he is willing to give the land to the Town because a municipal building would be a draw and could potentially increase the value of the other commercial and residential lots.
- The map shows the current, rented, Town Hall and the location of the proposed Town Hall, just  $\frac{1}{4}$  mile north on 125.

# The Plan – Proposed Location



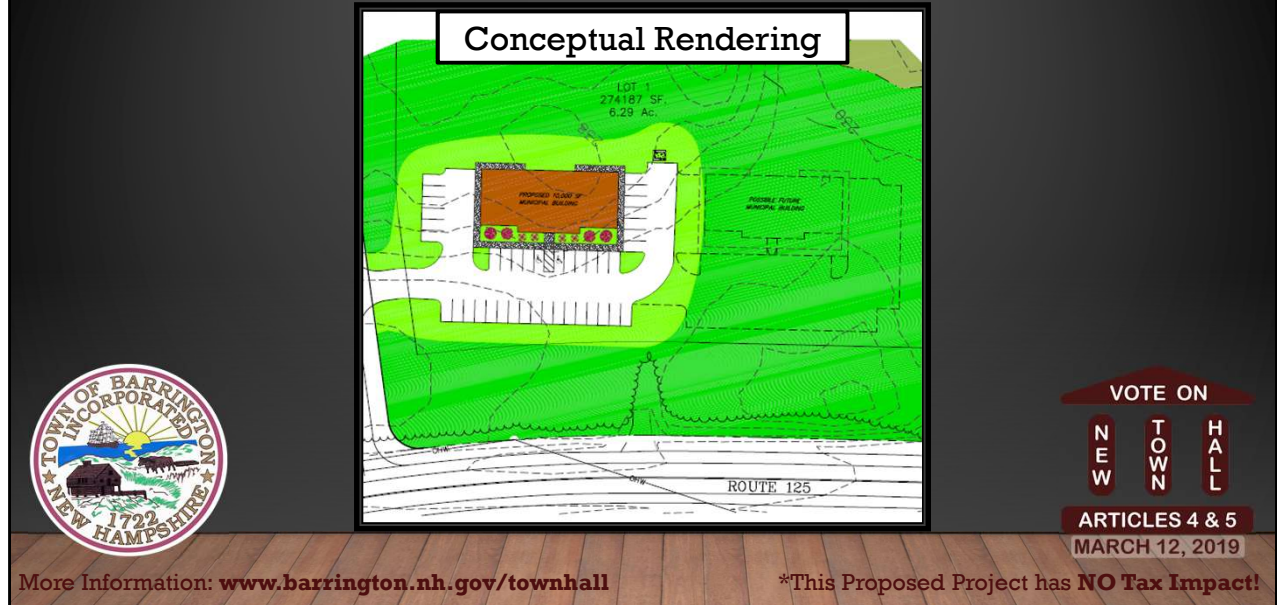
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- This topography shows the large, flat, lot with more than three buildable acres.
- Unlike some other Town-owned land, this lot would be cost-effective to develop given the terrain and limited constraints.



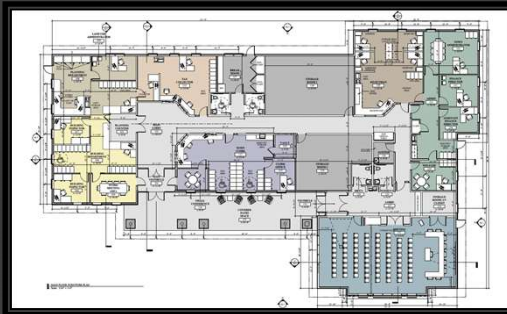
# The Plan – Proposed Location



- This conceptual rendering shows that this lot would perfectly accommodate a 10,000 ft.<sup>2</sup> building in a park setting.
- Additionally, there would be plenty of room on this lot for other municipal buildings in the future; the outline of another 10,000 ft.<sup>2</sup> building can be seen on this conceptual rendering.

# The Plan – Space Needs

- Design-Build to Last 50+ Years
- \$300,000 Worth of Previous Town Hall Designs and Plans
- Energy Efficient – Insulating Concrete Form (ICF)
- <10,000 ft.<sup>2</sup> Based on Space Needs Analysis



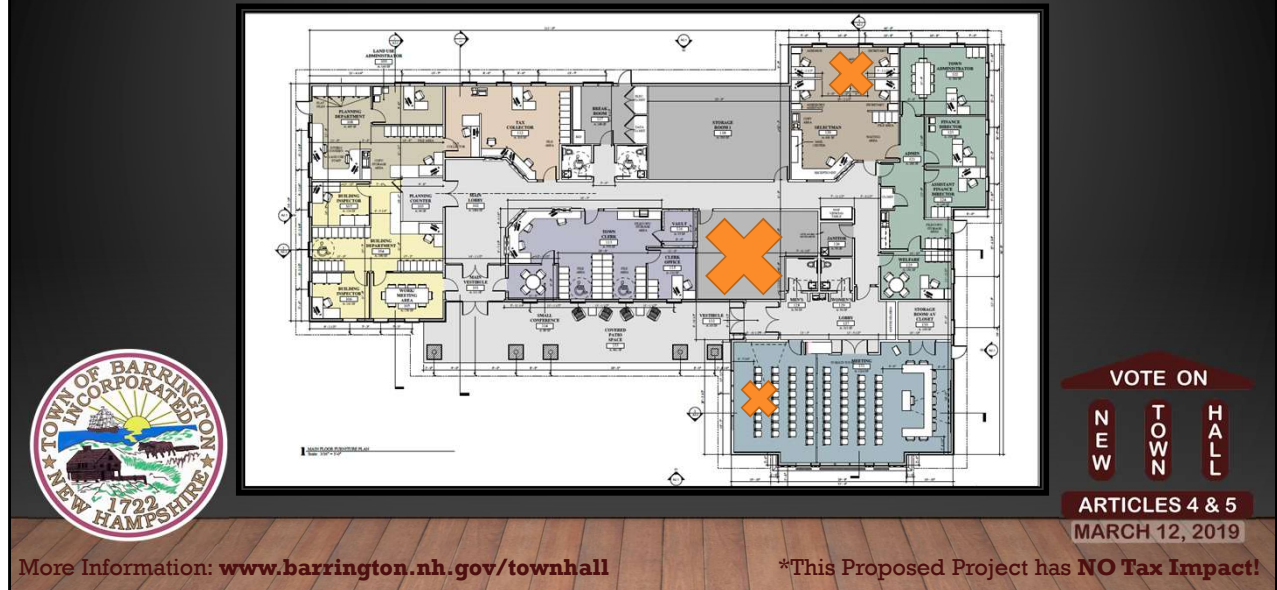
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- Aside from having NO tax impact, this proposal is different from previous Town Hall attempts because it is a design-build proposal.
- This is a popular and cost-effective approach to building municipal infrastructure by hiring one company for the entire process from design through construction.
- The Town has spent over \$300,000 on architectural designs and plans for a Town Hall.
- From those valuable designs and plans, we know what we need and this Select Board does not want to spend additional time and money on more designs.
- When the Select Board conducts a qualification-based selection process, they will communicate the Town's needs and budget and companies will return proposals that meet those constraints.

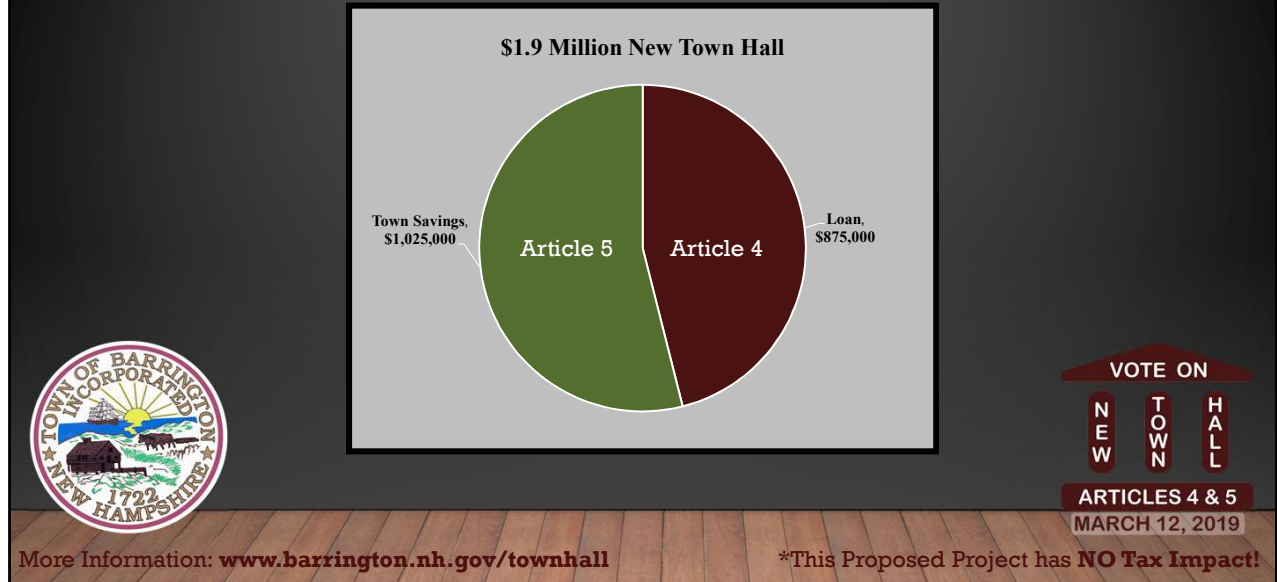


# The Plan - Design



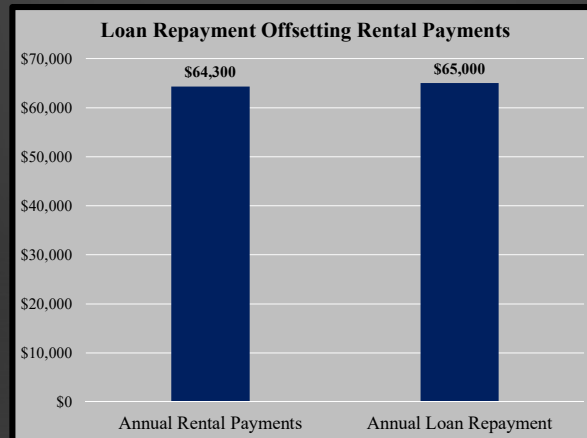
- This is an example of the most recent set of Town Hall floorplans from 2015.
- Based on a review of the space needs analysis, this proposal of less than 10,000 ft.<sup>2</sup> reduces storage based on technology improvements, reduces the meeting space based on needs, and reduces office space based on staff consolidation.
- If approved construction would likely be from fall of this year through fall of 2020.

# The Plan - Financial



- This proposal has two funding sources and was structured specifically to have NO tax impact.
- Article 4 asks for an \$875,000 bond or loan and Article 5 asks to use \$1,025,000 of fund balance or savings.
- Both Articles must pass for this project to proceed.

## Article 4 - \$875,000 Bond



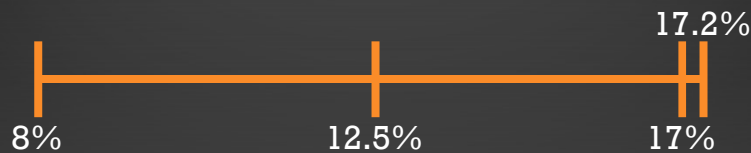
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- The repayments for the \$875,00 bond perfectly offset the current budgeted expenditures on renting a Town Hall.
- This structuring allows this proposal to have NO tax impact.
- After 20 years we will own the building and that budget line will be \$0.

# Article 5 - \$1,025,000 Fund Balance

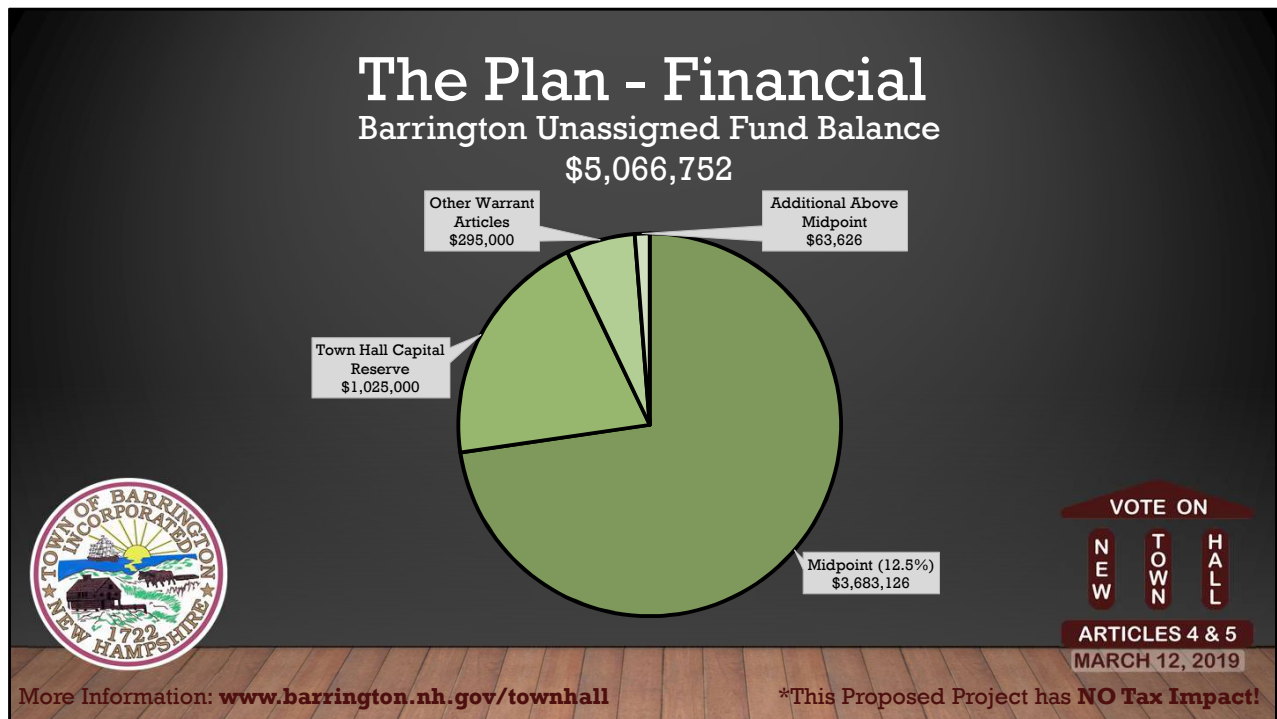
- \$1,025,000 from Unassigned Fund Balance
  - Recommended Fund Balance Range: 8% - 17%
  - Select Board's Fund Balance Policy: 12.5%
  - Current Fund Balance: 17.2% (\$5,066,752)



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- In simple terms, Article 5 takes \$1,025,000 from money the Town has saved while still leaving a responsible amount of savings in the account.
- Specifically, the \$1,025,000 is coming from unassigned fund balance.
- This is the Town's savings account to ensure cash flow and cover emergency expenditures; much like a family having six months of expenses set aside in case of emergency.
- This fund balance primarily accumulates from unexpended appropriations and unanticipated revenue (more vehicles registrations, property taxes, etc.)
- The New Hampshire Department of Revenue Administration recommends holding between 8% and 17% of regular general fund operating expenditures.
- The Select Board's policy is to target 12.5%.
- Currently, Barrington holds approximately \$5,066,752 in unassigned fund balance which is 17.2%.



- This pie chart represents the current total of unassigned fund balance.
- The large section shows the amount necessary to maintain 12.5%.
- The next largest section is Article 5, the proposed contribution toward the Town Hall project.
- There is a small section of \$295,000 which is proposed to fund most of the other warrant articles with NO tax impact.
- Finally, there is a \$60,000 wedge which shows that if the voters approve all that the Select Board is recommending (including the Town Hall) the Town will still be over the 12.5%.

# Additional Information

[www.Barrington.nh.gov/TownHall](http://www.Barrington.nh.gov/TownHall)  
This Presentation and Much More



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- This presentation and much more information is available on the Town's website at [www.Barrington.nh.gov/townhall](http://www.Barrington.nh.gov/townhall).



## Article 4 – Town Hall Bond to Replace Rented Space

To see if the Town will vote to raise and appropriate the sum of \$875,000 (eight hundred seventy-five thousand dollars) for the purpose of construction of a town hall to replace leased spaces including but not limited to building construction, site work, architectural fees, engineering, permitting, inspection, furniture, commissioning and other expenses to occupy the building. \$875,000 (eight hundred seventy-five thousand dollars) of such sum to be raised through the issuance of bonds or notes under and in compliance with the Municipal Finance Act, RSA 33:1 et seq., as amended; to authorize the Select Board to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project; to authorize the Select Board to issue, negotiate, sell and deliver said bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof; and to authorize the Select Board to take any other action or to pass any other vote relative thereto. [3/5<sup>th</sup> (60%) Majority Required]. **Recommended unanimously (4-0) by the Select Board. Recommended unanimously (3-0) by the Advisory Budget Committee. \*Note: There is no impact on the amount to be raised by 2019 or future property taxes by the passage of this article given the savings in rent and taxes for the rented buildings being replaced.**

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## Article 5 – Town Hall Capital Reserve (separate from bond)

To see if the Town will vote to establish a Town Hall Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of construction of a town hall to replace leased spaces including but not limited to building construction, site work, architectural fees, engineering, permitting, inspection, furniture, commissioning and other expenses to occupy the building and to raise and appropriate the sum of \$1,025,000 to be placed in this fund; this sum to come from fund balance and no amount to be raised from taxation. Further, to name the Select Board as agents to expend from said fund. [Majority Vote Required]

**Recommended unanimously (4-0) by the Select Board. Recommended unanimously (3-0) by the Advisory Budget Committee. \*Note: Total cost of the new Town Hall is \$1,900,000. This Capital Reserve is part of that total as is the prior bond article (#4). No funds will be expended to start construction until the total sum needed is appropriated by the Town. This article has no additional impact on the 2019 property tax rates.**

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